



The Tipping Point:

New Issuers Complexity Requires Determined Oversight

Ted Tozer

President, Ginnie Mae

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New Entrants Reducing Concentration, Systemic Risk for Ginnie Mae

Top 5 Issuers of SF MBS in FY 2011		
Rank	Issuer Name	% of Total
1	WELLS FARGO BANK, NA	34%
2	BANK OF AMERICA	26%
3	JP MORGAN CHASE BANK	8%
4	PHH MORTGAGE CORP	4%
5	U.S. BANK	4%
Total Top 5 Issuers		76%
Total Issuance FY2011		\$322.3 billion

Top 5 Issuers of SF MBS in FY 2015 YTD		
Rank	Issuer Name	% of Total
1	WELLS FARGO BANK, NA	16%
2	FREEDOM MORTGAGE CORP	7%
3	PENNYMAC LOAN SERVICES	6%
4	QUICKEN LOANS INC	6%
5	U.S. BANK	4%
Total Top 5 Issuers		39%
Total Issuance FY2015 YTD		\$130.9 billion

Red = Issuers that have fallen out of Top 5 since 2011

Blue = Issuers that have risen into Top 5 since 2011

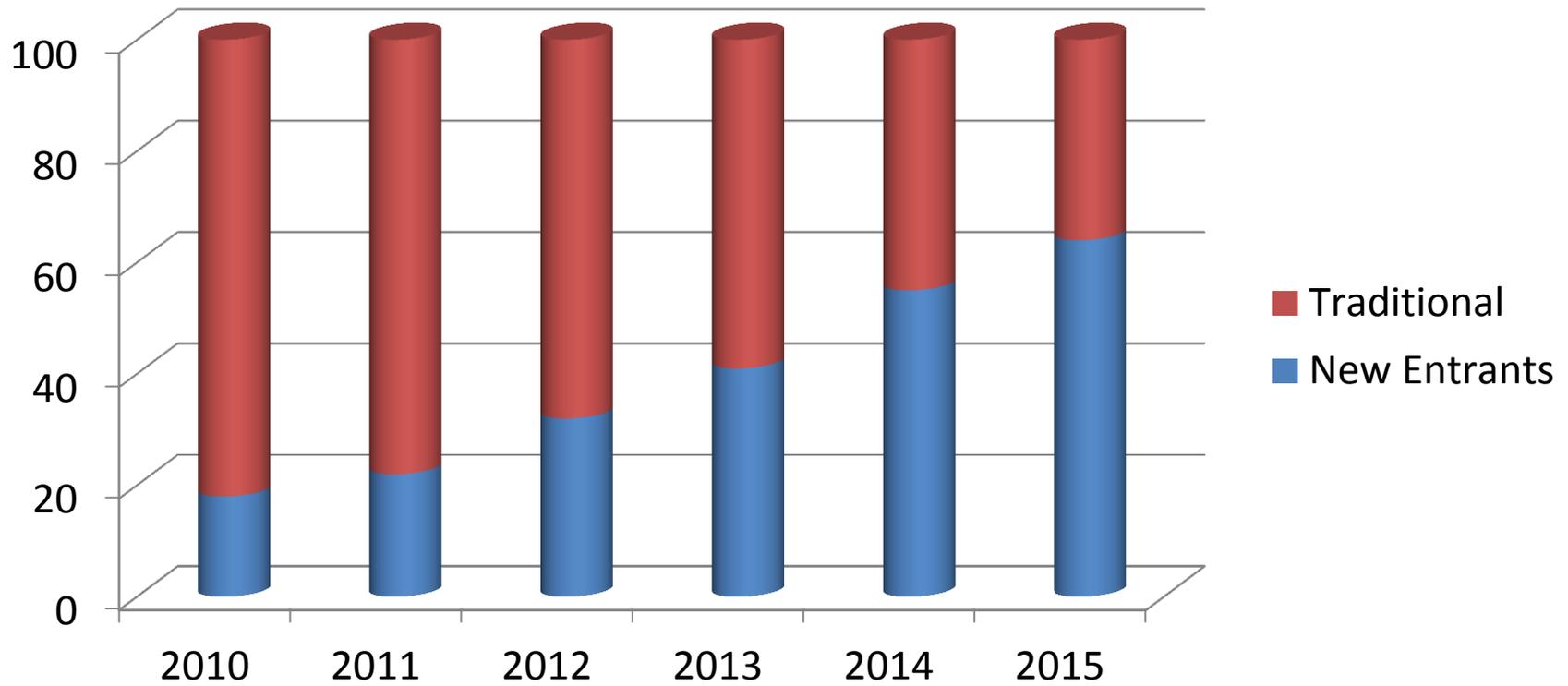
Benefits of New Entrants to Mortgage Market

- Improves credit access for borrowers at lower costs.
- Increases competition in the marketplace.
- Encourages innovation.
- Helps reduce “Too Big To Fail” risk.
- Provides more outlets to transfer servicing rights in the case of Issuer default.

Ginnie Model is Most Similar to FDIC

- ❑ The Federal Deposit Insurance Corporate (FDIC) insures about \$6 trillion of deposits in 600 million accounts in 6,800 institutions.
- ❑ Ginnie Mae guarantees about \$1.5 trillion in MBS issued by more than 400 Issuers.
- ❑ When an institution fails, the FDIC transfers assets and liabilities to another insured institution, usually at little or no loss to the system.
- ❑ When a Ginnie Mae Issuer fails, we transfer servicing to another Ginnie Mae Issuer, usually at little or no loss to the taxpayer.

New Entrants Increasing Share of Ginnie Mae's MBS Production to 64 Percent



Ginnie Mae MBS Guaranteed Has Soared Since Crisis

It Took 40 Years to Reach \$1 Trillion, Just 4 More to Reach \$1.5 Trillion

